Financial Assistance for Modernisation of Powerloom in Gujarat

2047. SHRIMATI ANANDIBEN JETHABHAI PATEL: Will the Minister of TEXTILES be pleased to state:

(a) whether Gujarat Government has sent any proposal for providing financial assistance for the modernisation of powerlooms in that State; and

(b) if so, the details thereof and the action taken by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) No, Sir.

(b) Doesn't arise.

Restructuring the Capital Base of NTC

2048. SHRI VIREN J. SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of TEXTILES be pleased to state:

(a) whether there is a proposal to restructure the capital base of the National Textile Corporation;

(b) if so, what are the details thereof;

(c) what are the reasons for restructuring the capital base of NTC;

(d) how much outlay is envisaged in the restructuring plans and how this outlay is proposed to be raised; and

(e) what is the extent of losses suffered by NTC during each of the last three years and what steps Government have taken in this regard so far?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (e) The losses suffered by the NTC during the last three years are as follows :—

(*Rs. in crores*)

1991-92 (Audited)	– 313.93
1992-93 (Audited)	– 684.52*
1993-94 (Provisional)	– 659.63*

*inclusive of the interest on Government loans.

Budgetary support of Rs. 73 crores was provided by the Government to the NTC in 1991-92 to offset the cash losses. Similarly, in 1992-93, Rs. 154.8 crores and in 1993-94 Rs. 132 crores were provided.

The Textile Research Associations (TRAs) have prepared Rehabilitation Scheme for revival of the NTC mills. The TRAs' Schemes envisage, among other things, financial restructuring of the mills. The TRAs have proposed such restructuring in view of the fact that losses have accumulated, the net worth has been eroded, and Banks/Financial Institutions are reluctant to extend further financial support to the NTC mills. Action is underway to formalise the Government stand for acceptance by the BIFR so that the Turn Around Plan can be implemented.

Sick Textile Mills

2049. SHRI RAHASBIHARI BARIK: Will the Minister of TEXTILES be pleased to state:

(a) the number of textile mills which have fallen sick in private sector, joint sector and public sector during the last three years;

(b) the reasons for the sickness of those textile mills;

(c) the States where these mills are located; and

(d) the steps taken to revive these textile mills?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Cases of 52 textile mills were registered with Board for Industrial & Financial Reconstruction (BIFR) as sick from January 92 to 30-6-94 as per the following details:

Public Sector (NTC, BIC, STC)	: 25
Private Sector	: 27

(b) The reasons for sickness is mainly financial problems.